



Summary of Key Matters Discussed During the 50th Annual General Meeting of the Company Held at Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS12/1, 47500 Subang Jaya, Selangor Darul Ehsan on Wednesday, 19 October 2016 at 2.30 p.m. (“50th AGM”)

Dato’ Abdul Latif bin Abdullah presided as Chairman of the meeting. The meeting was called to order at 9.30 a.m. after confirmation by the Secretary of the requisite quorum being present.

The Chairman informed the shareholders that the polling process for all the resolutions would be conducted upon completion of the deliberation of all items to be transacted at the 50th AGM. The shareholders also received the Audited Financial Statements of the Company and of the Group, along with the Reports of Directors and Auditors for the financial year ended 31 May 2016.

Questions were raised during the 50th AGM, which were duly responded by the Company. The salient questions are as follows:

Agenda Item 1

Audited Financial Statements And Reports For The Financial Year Ended 31 May 2016

- (1) Mr Ng Soo Har (Member), asked about the Group’s strategy for the next 3 years under the present challenging climate.

He would also like to know the reason for the loss in the Group as well as the substantial difference in losses presented for the Group and the Company whether the same was due to overstatement.

Mr Lim Chang Meng (Chief Financial Officer) replied that the strategy over the next 3 years is price sensitive. Thus, it will first be disclosed to the public through the Bursa Malaysia Securities Berhad’s website, if necessary, from time to time.

He further explained that the Group reported a decline trend in profit since financial year ended (“FYE”) 2015 was mainly due to the disposal of Sinsenmoh Transportation Pte Ltd during FY2014. The Board will continue to explore other business opportunities to further enhance shareholders’ value.

Mr Lim continued to state that the audited financial statements were prepared in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards and are fairly stated. The loss of the Company represents the capital expenses incurred at the Company’s level and that of the Group represents the consolidated results of the Company and its subsidiaries.

- (2) Mr Wan Eng Wah (Member) noted that the core business of the Company is renting of tank farms, which has contributed stable income to the Company. He enquired whether the rental income was expected to be increased or otherwise in the future.

Mr Lim informed the Meeting that the Company’s performance is correlated with the cost of sales and the rental income. The rental income was stable for the last 2 years, but the higher maintenance or repair cost for the tank farms, which are required to be maintained according to the safety standards had caused a lower profit to the Group. Further, the rental income will depend on the availability of the tank farms for renting.

Touching on the Company’s performance for year 2017, Mr Lim informed that it was expected to be a challenging year as the logistic (trucking) business is hit by the increase of cost resultant from the lower value of the Ringgit Malaysia.

- (3) Mr Wan Eng Wah then continued with his question in relation to the Company’s expenditure in year 2017 whether it would be substantially capital or operating in nature to which Mr Lim replied that the main expenditure would be on capital.

- (4) Mr Phang Ah Kow (Member) enquired the steps that the Group would be taking to improve the profitability as well as the steps to enhance the services to the foreign customers.

Mr Lim replied that the Group's plan, moving forward, is to stabilise the tank farm business and to rationalise the logistic (trucking) business. The Group's business is primarily in Malaysia and it has only a small part of the business in Johor Bahru that serves the Singapore customers.

- (5) Mr Lee Cheng Hock (Member) would like to know which companies that suffered losses under the Group to which Mr Lim informed that the logistics (trucking) business was not performing well for the year under review and a rationalisation exercise to control the losses had been implemented.

- (6) Mr Ng Aik Pheng (Member) was of the view that there are many logistics companies in the Group. Mr Lim replied there is only one subsidiary deals with the logistic business at the moment. The Group, nevertheless, is in bulk chemical logistic.

Agenda Item 6

Resolution No. 6

Proposed Renewal Of Recurrent Related Party Transaction Of A Revenue or Trading Nature ("Proposed RRPT Mandate")

- (1) Mr Ng Aik Pheng (Member) asked whether there were any new issues or matters concerning the Proposed RRPT Mandate and if the terms are favourable to the related companies.

Mr Lim explained that there was no new issue concerning the Proposed RRPT Mandate, and all the transactions were transacted on arm's length basis. The terms are not detrimental to the interests of minority shareholders.

After all the questions were duly answered and clarified, the Chairman then initiated the poll voting process. All the ordinary resolutions that were tabled at the 50th AGM were duly passed by the shareholders through poll voting, the result, which was announced by the Company Secretary, on behalf of the Chairman, is as follows:

	Vote For		Vote Against		Total Votes	
	No. of Units	%	No. of Units	%	No. of Units	%
Resolution 1 : Payment of Directors' fees	216,249,698	99.996	9,272	0.004	216,258,970	100.000
Resolution 2 : Re-election of Dato' Abdul Latif bin Abdullah as Director	216,257,970	99.999	1,272	0.001	216,259,242	100.000
Resolution 3 : Re-election of Dato' (Dr) Siew Ka Wei as Director	215,826,693	99.994	12,000	0.006	215,838,693	100.000
Resolution 4 : Re-appointment of Messrs BDO as Auditors	216,259,242	100.000	0	0.000	216,259,242	100.000
Resolution 5 : Issuance of New Ordinary Shares	216,249,742	99.996	9,000	0.004	216,258,742	100.000
Resolution 6 : Renewal of Recurrent Related Party Transaction Mandate	656,612	98,648	9,000	1.352	665,612	100.000

There being no further business, the 50th AGM was concluded at 4.30 p.m. with a vote of thanks to the Chair.